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John Taliaferro (Jay) West, IV*

*Jennifer L. Dobson
Research Director*

*Cathy A. Greer
Administration Coordinator*

**Post Office Box 11867
Columbia, South Carolina 29211
Telephone: (803) 212-6810 • Fax: (803) 212-6811
Room 228 Blatt Building**

*Charles L. Appleby, IV
Legal Counsel*

*Lewis Carter
Research Analyst/Auditor*

*Riley E. McCullough
Research Analyst*

Legislative Oversight Committee

Monday, May 3, 2021

2:00pm

Blatt Room 321

Archived Video Available

- I. Pursuant to House Legislative Oversight Committee Rule 6.7, South Carolina ETV was allowed access for streaming the meeting. You may access an archived video of this meeting by visiting the South Carolina General Assembly's website (<http://www.scstatehouse.gov>) and clicking on *Committee Postings and Reports*, then under *House Standing Committees* click on *Legislative Oversight*. Then, click on *Video Archives* for a listing of archived videos for the Committee.

Attendance

- I. The Healthcare and Regulatory Subcommittee meeting was called to order by Subcommittee Chair John Taliaferro West, IV, on Monday, May 3, 2021, in Room 321 of the Blatt Building. All members (Representative Gil Gatch, Representative Rosalyn D. Henderson-Myers, and Representative Timothy A. McGinnis attended virtually via Microsoft Teams) were present for all of the meeting.

Minutes

- I. House Rule 4.5 requires standing committees to prepare and make available to the public the minutes of committee meetings, but the minutes do not have to be verbatim accounts of meetings.

Approval of Minutes

- I. Representative Henderson-Myers makes a motion to approve the meeting minutes from the April 26, 2021, meeting. A roll call vote was held, and the motion passed.

Rep. Henderson-Myers motion to approve the April 26, 2021, meeting minutes.	Yea	Nay	Not Voting
Rep. West	✓		
Rep. Gatch			Not present
Rep. Henderson-Myers	✓		
Rep. McGinnis	✓		

Discussion of Department of Health and Human Safety (HHS)

- I. Chair West swears in the following individuals:
- Mr. Michael Jones, COO and Deputy Director for Medicaid Operations; and
 - Mr. Jonathan Tapley, Operations Manager, Managed Care .
- II. Mr. Jones discusses the following topics during his presentation on Medicaid Managed Care:
- PER information;
 - Related deliverables;
 - Performance measures;
 - Turnover data;
 - Statutes applicable to managed care;
 - Claims and capitation costs;
 - Employee satisfaction;
 - Managed care and operations organizational chart;
 - S.C. Medicaid Health Payment Models;
 - Definitions of key terms;
 - Timeline for how HHS progressed through different managed care models from 1968 through present;
 - Fee for service overview;
 - Managed care overview;
 - Capitation calculation example;
 - Flow chart illustrating how Medicaid coverage is funded;
 - Diagram for fee for service transactions v. managed care transactions;
 - Fee for service v. Managed care coverage structure and flexibilities and efficiencies;
 - S.C. Medicaid Population;
 - Population groupings;
 - Matching S.C. Populations to Models;
 - Care delivery flow chart;
 - Selection and enrollment process for managed care plans;
 - S.C. Medicaid by the Numbers;

- f. Managed Care Incentives and Quality;
 - i. Medical loss ratio;
 - ii. Quality withhold program;
 - iii. Selection criteria for index measures;
 - iv. Current quality indices for managed care plan;
 - v. Multicultural health care quality standards;
 - vi. External quality review;
 - vii. Financial oversight;
- g. COVID-19 Impact; and
- h. Evolution of S.C. Managed Care.

III. Subcommittee members ask questions relating to the following:

- a. Number of provider applications processed annually;
- b. Time within which to process electronic payments;
- c. Explanation of HEDIS – national standard for metrics applicable to the healthcare industry;
- d. Causes of employee turnover;
- e. Motive for transitioning from fee for service to managed care;
- f. Method for controlling costs while still ensuring quality care;
- g. Ability for capitation rates to be negotiated;
- h. Services available for those utilizing managed care plans versus fee for service plans;
- i. High enrollment of certain MCOs like Select Health;
- j. Explanation of Healthy Connections Prime;
- k. Method for determining medical loss ratio;
- l. Method for keeping abreast of national standards for benchmarking;
- m. Process for selecting an external vendor for quality control services;
- n. Explanation of risk corridor ;
- o. Significant changes in overall utilization of services seen during COVID-19; and
- p. Analysis of data for determining whether to retain any of the service modifications made during COVID-19.

Agency staff respond to the members' questions.

Adjournment

- I. There being no further business, the meeting is adjourned.